



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION IX  
75 Hawthorne Street  
San Francisco, CA 94105**

SEP 19 2012

Certified Mail: 7011 0470 0002 9197 7340

Wayne Condit, General Manager  
Aloha Petroleum, Ltd.  
1132 Bishop Street, Suite 1700  
Honolulu, HI 96813

Re: Notice of Non Compliance  
Aloha Hilo West Terminal  
SPCC Case No.: 12-4039  
Inspection Date: April 4, 2012  
Inspector: Janice Witul

Dear Mr. Condit:

Pursuant to the Oil Pollution Act of 1990, and the associated oil pollution prevention regulations found in Title 40 of the Code of Federal Regulations (C.F.R.) Part 112, a representative of the United States Environmental Protection Agency (U.S. EPA) performed a Spill Prevention, Control, and Countermeasure (SPCC) inspection at the Aloha Hilo West terminal at 661 Kalanianaʻole Avenue, located in Hilo, HI on April 4, 2012. The U.S. EPA has determined that the facility is subject to the requirements of 40 C.F.R. Part 112 because it is a non-transportation related on-shore oil storage facility with a total aboveground storage capacity greater than 1,320 gallons and which, due to its location, could reasonably be expected to discharge oil in harmful quantities into or upon the navigable waters of the United States or adjoining shorelines.

In December 1973, the U.S. EPA issued its oil pollution prevention regulations for non-transportation-related onshore and offshore facilities (40 C.F.R. Part 112). On August 16, 2002, the U.S. EPA amended these regulations to provide clarification to the 1973 regulations and reduce the overall compliance burden on regulated industries. In general, the purpose of the regulation is to prevent oil spills from non-transportation-related facilities by establishing pollution prevention procedures, methods, and equipment requirements for owners and operators of facilities engaged in drilling, producing, gathering, storing, processing, refining, transferring, distributing, using or consuming oil. Information on these regulations and guidance to assist

with your facility's compliance can be found at the U.S. EPA Oil Program website: [www.epa.gov/oilspill](http://www.epa.gov/oilspill).

Based on observations and plan review at the time of the inspection, an area of non compliance with the SPCC Rule was identified.

### **Plan Review and Inspection**

#### **Observations:**

Secondary containment area floor appeared to be permeable, as no standing water was observed during the inspection when rain was present. SPCC Plan stated that containment area of tank farm will be lined in order to provide an impervious floor, but no timeframe was given.

#### **Requirements:**

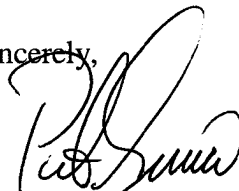
40 CFR §112.7(c) Provide appropriate containment and/or diversionary structures or equipment to prevent a discharge. Per 40 CFR §112.8(c)(2), a secondary means of containment shall be provided for the entire capacity of the largest single container and sufficient freeboard to contain precipitation. You must ensure that diked areas are sufficiently impervious to contain discharged oil.

To verify compliance with the SPCC regulations, please provide evidence to our office within thirty (30) days from the date of this letter that demonstrates your facility's full compliance by addressing the SPCC issue listed above. Electronic copies of documents and other records are preferred.

If you have any questions, please feel free to contact Ms Witul at (415) 972-3089 or [witul.janice@epa.gov](mailto:witul.janice@epa.gov). We appreciate your cooperation in completing the inspection and your efforts to comply with the SPCC regulations.

Please be reminded that in the event of an oil or hazardous substance discharge to waters of the United States in violation of Section 311(b)(3) of the Clean Water Act (CWA), 33 U.S.C. § 1321(b)(3), the facility owner or operator is required pursuant to Section 311(b)(5) of the CWA, 33 U.S.C. § 1321(b)(5), to immediately report all such discharges. Reports must be made to the National Response Center at 1-800-424-8802. Failure to comply with notification requirements may result in both civil and criminal penalties.

Sincerely,



Peter Guria, Chief  
Enforcement and Removal Operations Section  
Superfund Division